



City of Wheatland

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CITY COUNCIL MEETING STAFF REPORT

Date: January 12, 2010
Agenda Item:

Subject: Audited Financial Statements 2008-2009

Prepared by: Rex E. Miller
Dir. of Admin. Services

Approved: _____
Stephen L. Wright
City Manager

Recommendation: Council receive and file the Audited Financial Statements and related reports for the City of Wheatland for the fiscal year ended June 30, 2009; and authorize the City Manager to solicit a two year extension of the consultant services agreement with Boler and Associates for continued audit services.

Discussion: The Audited Financial Statements and related reports for the fiscal year 2008-2009 have been completed and submitted to the Council for acceptance. The Auditor did comment on one finding that was considered significant but did not comprise a material weakness. Comment and response is found on pages 62 to 64 of the report. Status of the prior year's findings is shown on pages 65 to 67 of the report.

The Management's Discussion and Analysis, pages 3 through 12, is a summary and more readable presentation of the financial health of the City. Using this summary may assist you in better understanding the entire report.

The accounting firm of Boler and Associates has now completed the three year term of the current agreement to provide audit services to the City. Staff would propose that Boler and Associates be invited to extend the agreement for up to a maximum of two additional years. This would conserve efforts and resources for both the City and the firm that would be required to solicit proposals and switch to a new firm. Under the existing circumstances I do not foresee any negative impacts to the City by continuing to use Boler for an additional one or two years. After five years it is usually wise to change the City's audit firm.

If the Council has any questions or comments on this report or any related financial items, I will be happy to address your questions or comments.

Alternatives: The Council could request further information and/or clarification from the auditors or the Administrative Services Director. The Council could also request that staff advertise for bids from other audit firms for upcoming audits.

Fiscal Impact: None.